

ASSEMBLY BILL

No. 2490

Introduced by Assembly Member Jones

February 19, 2010

An act to amend Section 11751.5 of the Insurance Code, relating to workers' compensation insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2490, as introduced, Jones. Workers' compensation insurance: rating organizations: statistical agent.

Existing law authorizes the Insurance Commissioner, after notice and hearing, to promulgate reasonable rules and statistical plans, to be used in recording and reporting by workers' compensation insurers their loss and expense experience in order that the information may be made available to aid the commissioner in his or her duties regarding the approval of workers' compensation insurance rates.

Existing law requires the commissioner to designate a licensed rating organization, as defined, as his or her statistical agent to gather and compile workers' compensation insurers loss and expense experience statistics, and all licensed rating organizations are required to report loss and expense experiences of their member workers' compensation insurers to the statistical agent. Subject to reasonable rules approved by the commissioner, the statistical agent is required to make available those compiled experience statistics to all licensed rating organizations. The statistical agent is authorized to make a reasonable charge to other rating organizations for the expense incurred by it in combining, tabulating, and compiling the experience of all workers' compensation insurers.

This bill would require that the statistical agent make available those compiled experience statistics to all other organizations that the commissioner, by regulation, identifies as appropriate, and would authorize the statistical agent to make a reasonable charge for the information.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 11751.5 of the Insurance Code is
2 amended to read:
3 11751.5. The commissioner, after notice and hearing, may
4 promulgate reasonable rules and statistical plans, which may be
5 modified from time to time and which shall be used thereafter in
6 the recording and reporting by insurers of their loss and expense
7 experience in order that the experiences of all insurers may be
8 made available in such form and detail as may be necessary to aid
9 the commissioner in administering the provisions of Article 2
10 (commencing with Section 11730). The commissioner shall
11 designate a rating organization licensed under this article as his or
12 her statistical agent to gather and compile such experience statistics
13 and all licensed rating organizations shall report the experience of
14 their members to such designated rating organization. Subject to
15 reasonable rules approved by the commissioner, such designated
16 rating organization shall make such experience statistics, when
17 compiled, available to all licensed rating organizations, *and other*
18 *organizations that the commissioner, by regulation, identifies as*
19 *appropriate to obtain the statistics*, and may make a reasonable
20 charge to other rating organizations *and other organizations* for
21 the expense incurred by it in combining, tabulating, and compiling
22 the experience of all workers' compensation insurers.